

Hearing Statement – Matter 7 (Housing Policies)

Central Lancashire Local Plan Examination

On behalf of Castle Green Homes

Date: November 2025 | Pegasus Ref: P21_2496_R009_PL_MAN_PR

Author: PR



Document Management

Version	Date	Author	Checked/ Approved by:	Reason for revision



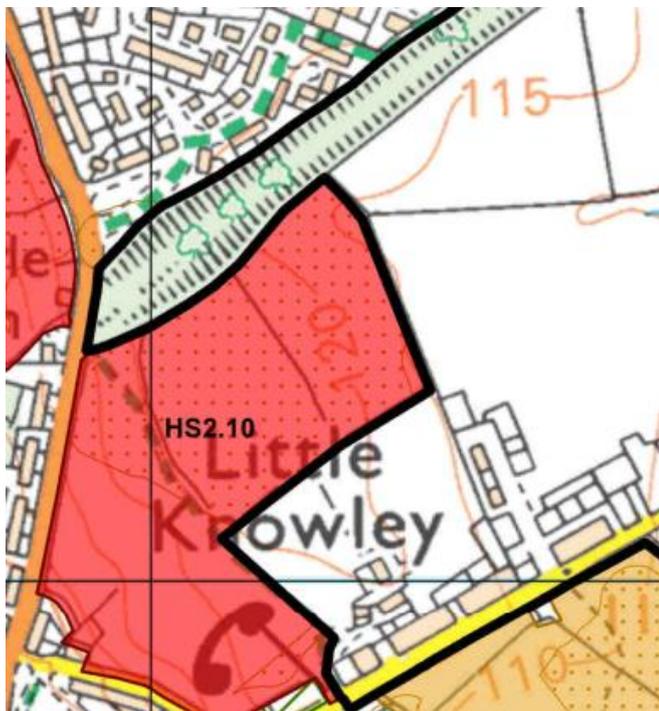
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1. Introduction

- 1.1. Pegasus Group has been instructed on behalf of their client, Castle Green Homes (hereon in "Castle Green"), to prepare Hearing Statements to the Central Lancashire Local Plan Examination (EIP) in support of their land interests in Chorley Borough. Namely, Castle Green has a development option on the land at Little Knowley Farm, Chorley.
- 1.2. This includes the draft Little Knowley Farm allocation (HS2.10 – see **Figure 1**), which is currently allocated for 150 no dwellings.

Figure 1: Little Knowley Farm Allocation (HS2.10)



- 1.3. A live planning application (25/00634/FULMAJ) is pending determination on site, for the erection of 146 no. dwellings.
- 1.4. This Statement deals with Matter 7, which addresses the following issue:

"Issue 7 – Does the Plan set out positively prepared housing policies which are justified, effective and consistent with national policy?"

2. Question 7.2

Policies HS5–HS13

7.2 a) Does Policy HS6 provide an effective framework for ensuring an appropriate mix of housing will be delivered over the plan period? Does it provide sufficient flexibility to ensure site specific considerations are taken into account?

- 2.1. In relation to housing mix, Castle Green recognise the need to provide a mix of house types, sizes and tenures and is supportive of providing a range and choice of homes to meet the needs of the local area. However, the policy as currently drafted does not provide sufficient flexibility and is overly prescriptive.
- 2.2. Part 1a) of the policy states that developments must 'provide a mix of dwelling types and sizes to address the needs for that location as identified in the Housing Need and Demand Assessments'.
- 2.3. This wording is overly onerous – as site-specific considerations mean that whilst the housing mix requirements outlined in the Housing Need and Demand Assessments are an important consideration to set rigid mix requirements can lead to deliverability issues.
- 2.4. To ensure the policy is effective, housing mix matters also need to acknowledge changing circumstances and other site-specific considerations – including viability, market considerations and the location and scale of the site.
- 2.5. We therefore echo the sentiments of the HBF that additional flexible wording needs to be added to Policy HS6, which notes that the findings of the housing need and demand assessments should be considered, alongside viability and market considerations, when determined the suitable housing mix for any specific site.
- 2.6. Ensuring a level of flexibility in the policy will ensure that the Plan remains effective.

b) Are the requirements relating to the provision of homes that comply with M4(2) and M4(3) of the building regulations justified by evidence relating to need and viability and are they consistent with national policy? Would it ensure the needs for specialist housing will be met over the plan period?

- 2.7. No – the evidence base is not sufficiently robust to introduce this. The draft policy requires all residential schemes to be built to the 'accessible and adaptable' standard in Part M4(2) of the Building Regulations. There is no flexibility in this requirement. It also goes on to require 4% of new homes in Chorley to be wheelchair accessible in accordance with Part M4(3a).
- 2.8. The PPG¹ identifies the type of evidence required to introduce a policy requiring the M4 standards, including the likely future need; the size, location, type, and quality of dwellings needed; the accessibility and adaptability of the existing stock; how the needs vary across different housing tenures; and the overall viability.

¹ Reference ID: 56-007-20150327.

- 2.9. It is noted that future needs are covered in the Chorley Housing Need Demand Assessment (Ref: H003) and its update in 2024 (Ref: HO10). It does not appear that the accessibility and adaptability of the existing stock, how the needs vary across different housing tenures, nor the overall viability are covered in these reports.
- 2.10. In respect of viability, there are some significant viability challenges set out within section 6 of the Viability Report (February 2025) (Reference: ITO5).
- 2.11. Castle Green also notes the Optional Technical Standards Paper (TPO5a), which seeks to set out the delivery of NDSS properties in the past. This needs to be set in the context of an adopted Plan which does not require NDSS and a national position where these standards are not mandatory. If the Government had wanted them to be, they would have made them so. Nevertheless, TPO5a does not provide the outstanding evidence in respect of the introduction of M4 standards.
- 2.12. The introduction of the optional technical housing standards is not supported by the evidence base and therefore not justified.

c) Are the minimum density requirements justified and appropriate? What account has been taken in the density requirements for the delivery of on-site BNG?

- 2.13. The policy proposes minimum densities for various locations, of which the relevant density for the Little Knowley Farm allocation (HS2.10) is 27 dph. The live planning application on site proposes 146 no. dwellings – therefore we can confirm that the minimum density can be achieved on the HS2.10 allocation.
- 2.14. More generally, it is important that the indicative density figures set out in Policy HS6 should only be used as a guide – and the Council should be flexible in their use to take account of individual site characteristics, the development proposed and also viability. Whilst the use of minimum densities is in line with the efficient use of land (section 11 of the NPPF), it is considered that some of the figures may be over-optimistic.
- 2.15. In our view, there should not be an over-reliance on minimum density standards to meet housing needs. It represents an unrealistic strategy and as we have explained elsewhere, additional homes need to be allocated in order for development requirements to be met.
- 2.16. As currently drafted this part of the plan lacks flexibility so is unlikely to be effective.

d) Are there any omissions in the policy?

- 2.17. No comment.

3. Question 7.3

a) Does Policy HS7 provide an effective framework for maximising the delivery of affordable housing over the plan period? Based on the thresholds and requirements in Policy HS7, will affordable housing needs be met?

3.1. Castle Green raise concerns that the affordable housing needs of Central Lancashire will not be met in full. The evidence sets out an overall gross affordable need of 728 dpa. Given the Council's approach and seeking to deliver a suppressed housing requirement, affordable homes required would be in excess of 50% of the overall requirement. As such, from the evidence presented, the Plan will simply not deliver the amount of affordable housing needed and additional sources of land supply must be identified.

3.2. The wider land parcel at Little Knowley Farm is a suitable and sustainable location for housing and will deliver its proportion of affordable housing. An enlarged site, complying with the wider evidence base, will deliver further affordable homes against this substantial requirement. The enlarged site should therefore be included within the proposed HS2.10 allocation to maximise the delivery of affordable housing.

b) Is there convincing evidence to show that affordable housing requirements, including on specialist older persons housing, would be viable? How were the thresholds for affordable housing and areas in which they apply arrived at? Are they based on comprehensive and up to date information? Is the use of "pragmatic scenarios" within the Whole Plan Viability Assessment a reasonable approach?

3.3. As noted in the Council's evidence, there are some significant viability challenges set out within section 6 of the Viability Report (February 2025). This includes the Lower Value Brownfield typologies, lower value greenfield typologies and the Preston City Centre typologies are not viable; and that the medium value brownfield typologies, the medium value greenfield typologies, the higher value brownfield typologies and the higher value greenfield typologies are either not viable or marginal, when considered against a set of fully policy compliant appraisals, realistic land values and a 20% profit. These locations are where a reasonable amount of housing sites are identified

3.4. It is unrealistic to negotiate viability on every site on a one-by-one basis because the base-line aspiration of a policy or combination of policies is simply set too high. This will jeopardise future housing delivery and could result in further shortfalls in the overall supply of houses and the delivery of affordable housing.

3.5. This further points towards a need to allocate more sources of land supply – such as the wider Little Knowley Farm site, which would ensue the Plan is positively prepared to deliver the identified needs and effective when considering the evidence available.

c) Is there convincing evidence to justify the proposed tenure split for affordable housing units? Does it accurately reflect the requirements for affordable housing in the Housing Needs and Demand Assessments? Is it sufficiently flexible?

3.6. Castle Green do not support the current wording at part 5 of the policy, which states 'the following tenure must be provided unless it can be robustly demonstrated that an alternative split meets an independently assessed proven need, or it is demonstrated to the Council

that the development would not otherwise be financially viable. It is then confirmed that Chorley should deliver 71% Social Rent and 29% Affordable Home Ownership.

3.7. The current policy wording is far too onerous. Whilst the wording in respect of viability considerations is helpful, this is not the only reason why the proposed tenure split may not be appropriate on every site. This could include market demand and the size and location of the site. Such as prescriptive approach could lead to real deliverability issues – in a Plan which is already meeting a suppressed housing requirement and ambitious density targets.

3.8. The blanket approach to tenure split is therefore inappropriate. Greater flexibility in how these tenure splits are provided should be introduced to ensure that the Plan remain effective.

d) Is the policy sufficiently clear regarding the approach to be taken for off-site and/or financial contributions in lieu of on-site provision? Is the 20% supplement for commuted sums justified?

3.9. No comment.

Town & Country Planning Act 1990 (as amended)
Planning and Compulsory Purchase Act 2004

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